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Date: 9/27/2001

GAIN Report #KS1061

Korea, Republic of

Fishery Products

Annual

2001

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Report Highlights:

Seafood consumption in Korea continues to increase, while the domestic seafood catch and production continues a downward trend. This is reflected in the decline in the capacity of the fishing fleet, as well as in the 20 percent drop in the number of households earning a living from fisheries in the past five years. The reduction in the catch is a product of depleted local resources, and increased restrictions on fishing in foreign waters. These trends are expected to continue.

Korean imports of seafood in 2001 may exceed exports for the first time. Imports in the year 2000 totaled \$1.34 billion, while exports exceeded \$1.5 billion. Imports of seafood from the U.S. totaled \$138 million in 2000, led by surimi and pollack roe.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Seoul ATO [KS2], KS

KOREA: SEAFOOD ANNUAL REPORT 2001

SECTION I: SITUATION AND OUTLOOK

The real GDP growth rate in Korea reached 8.8 percent in 2000 and per capita GNI (Gross National Income) reached \$9,628. However, the GDP growth has dropped significantly and is forecast to be around 1 percent in 2001 due to the domestic and global economic slump, and the per capita GNI is forecast to decrease slightly due to the depreciation of Korean currency. The foreign exchange reserves totaled over \$100 billion as of September 2001.

Domestic production decreased significantly to 2.5 million tons in 2000 from 2.9 million tons in 1999 due to the depletion of fishery resources domestically and restrictions of catches in foreign countries' waters. Alaska pollack harvest largely depends on how much Korea purchases fish catch quotas from Russia. The capacity of fishing fleet reduced to 397,868 tons in 2000 from 434,143 in 1999. The number of fishery households also declined to 81,779 in 2000 from 97,754 in 1999. The capacity of fishing fleet and the number of fishery households are expected to decline in the foreseeable future.

According to Korea Trade Information Service (KOTIS) compiled by ATO Seoul (based on CIF value), total imports of seafood in Korea increased by about 20 percent to \$1.34 billion in 2000 from \$1.11 billion in 1999. Imports of seafood from the United States increased by about 13 percent to \$138 million from \$122 million in 1999. Imports of seafood products are sensitive to the performance of the economy. Total seafood imports during the first half of 2001 increased by about 14 percent to \$753 million from \$663 million during the same period of last year, and these imports from the U.S. decreased slightly to \$69 million during the first half of 2001 from \$70 Million during the same period of last year. However, seafood imports will rise significantly when the economy rebounds.

The Monthly Statistics of Korea (June 2000 Issue) shows that the average monthly household expenditure on fishery products was \$28.39 in 2000 (The average annual exchange rate of Korean won against US\$ in 2000 was 1,130.6 won). Korea's per capita fish consumption is estimated at 33 Kg. a year, and expected continue to rise in the years to come.

In order to cope with the depletion of fishery resources in the adjacent water and restrictions of fish catch in the neighboring countries' waters, the Korean government accelerated the downsizing of Korea's fishing fleet and plans to reduce further more over the next several years. Recognizing the potential economic impact of this and other fishery accords, the Korean government is undertaking an in-depth study on aquaculture.

Korea exports about \$1.5 billion of seafood annually and has always had a surplus in seafood trade. However, this year the Korean government forecasts that Korea may suffer trade deficit in seafood trade with foreign countries for the first time.

SECTION II: STATISTICAL TABLES

Korea: Fishery Household, Population and Workers

Year	Households	Population	Workers
1996	101,677	330,464	171,822
1997	99,912	323,383	173,743
1998	98,972	322,229	172,701
1999	97,754	315,198	170,590
2000	81,779	251,521	*N/A

*Will be announced in December 2001

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: Fishing Fleet by Type of Fishing in 2000

(Unit: Vessel, Gross/Tons)

	1998		1999		2000	
	Number of Fleet	Capacity	Number of Fleet	Capacity	Number of Fleet	Capacity
On and Off-Shore	64,284	438,205	66,776	434,143	68,629	397,868
Aquaculture	20,911	27,894	21,742	29,733	20,359	28,516
Fresh Water	2,624	1,703	2,742	1,589	3,664	2,874
Deep Sea	628	357,412	620	365,146	597	349,420
Other	2,550	153,120	2,972	161,345	2,641	144,421
Total	90,997	978,334	94,852	991,956	95,890	923,099

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: Area of Shallow Sea Aquaculture by Species

(Unit: Hectare)

Species \ Year	1996	1997	1998	1999	2000
Fish	2,445	3,382	3,487	3,266	3,346
Mollusks	39,306	40,134	43,984	43,262	43,599
Seaweeds	61,974	60,506	61,209	64,782	73,902
Others 1/	3,114	5,134	4,307	1,276	1,132
Total	106,839	110,165	112,987	112,586	121,979

1/ Shrimp and Sea Squirts are mainly cultivated.

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: 2000 Fishery Production by Group of Species and Fisheries

Metric Ton (MT)

	On/off Shore	Aquaculture Shallow sea	Deep-Sea	Fresh Water	Total
Fish	769,628	25,986	465,200	19,613	1,280,428
Crustacea	74,994	1,158	6,534	114	82,800
Mollusks	325,150	222,608	179,533	675	727,966
Seaweed & others	19,228	403,621	0	182	423,031
Total	1,189,000	653,373	651,267	20,585	2,514,225

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: Fishery Production by Year

Metric Ton (M/T)

Year	Volume
1996	3,244,288
1997	3,243,725
1998	2,835,015
1999	2,910,450
2000	2,514,225

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: Production of Processed Fishery Commodities by Group

Metric Ton (MT)

Commodity	1996	1997	1998	1999	2000
Dried/Salted/Cooked	85,176	71,500	58,055	36,349	33,794
Preserved/Pickled	21,124	24,578	43,354	63,398	57,131
Canned	61,902	62,885	48,140	42,796	50,404
Frozen	1,265,190	1,239,365	1,110,160	1,179,024	1,042,648
Dried Seaweed	88,657	47,347	92,375	100,936	47,662
Agar-Agar	563	376	639	365	961
Ground Fish Meat	115,808	135,493	121,480	108,443	166,682
Flavor Seasoned	12,265	7,069	6,466	8,072	14,532
Fish Meal and Oil	50,716	42,590	50,700	45,361	37,732
Others	26,096	23,372	9,880	9,281	13,546
Total	1,727,497	1,654,530	1,541,249	1,594,025	1,465,092

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: 2000 Fishery Products Trade by Type

(Unit: MT, 1,000 US\$)

Type	Import		Export	
	Quantity	Value	Quantity	Value
Live fish	34,926	11,592	7,179	85,282
Fresh or chilled fish	43,185	117,739	54,596	270,065
Frozen fish	534,836	928,040	343,718	669,834
Smoked fish	393	2,333	140	629
Dried fish	7,443	46,252	13,074	80,119
Salted or in brine	25,376	21,670	11,608	27,892
Others	70,837	71,883	45,079	131,965
Prepared/canned fish	32,194	104,088	58,432	238,685
Total	749,190	1,303,597	533,826	1,504,471

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: Imports and Exports of Fish and Seafood by Year

Unit: Metric Ton, \$1,000

Year	Imports		Exports	
	Volume	Value	Volume	Value
1997	522,381	1,045,474	509,090	1,492,588
1998	375,224	587,481	590,390	1,369,014
1999	746,327	1,178,968	475,644	1,520,534
2000	749,190	1,410,597	533,826	1,504,471

Imports are based on CIF values and Exports are based on FOB values

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: Applied Tariff Schedule for Fishery Products

Description	H.S. Code	2000 (%)	2001 (%)
Live Fish	0301 XX XXXX	10	10
Fish, Fresh or Chilled	0302 XX XXXX	20	20
Fish, Frozen	0303 XX XXXX	10	10
Fish Fillet/Fish Meat, FR/CH	0304 10 XXXX	20	20
Fish Fillet/Fish Meat, FZ	0304 20 XXXX	10	10
Fish Surimi, Frozen	0304 90 XXXX	10	10
Fish, Dried/Salted/Brine/Smoked	0305 XX XXXX	20	20
Crustaceans	0306 XX XXXX	20	20
Oyster Spat	0307 10 1010	5	5
Oyster	0307 10 XXXX	20	20
Scallops	0307 2X XXXX	20	20
Mussels	0307 3X XXXX	20	20
Cuttle Fish and Squid	0307 4X XXXX	10	10
Octopus	0307 5X XXXX	20	20

Snails (other than sea snails)	0307 60 0000	20	20
Other Molluscs	0307 9X XXXX	20	20
Seaweed, excluded frozen	1212 20 XXXX	20	20
Laver, frozen	1212 20 1030	10	10
Sea mustard, frozen	1212 20 2040	50	49.3
Fish Extracts and Juice	1603 XX XXXX	30	30
Fish, prepared, preserved	1604 XX XXXX	20	20
Crustaceans/Molluscs, PREP/PSRD	1605 XX XXXX	20	20

Source: Korea Customs Research Institute, Tariff Schedule of Korea 2001

Korea: Adjusted Tariff Schedule For Fishery Products

Description	H.S. Code	General (%)	2000 (%)	2001 (%)
Eel, Live	0301.92.xxxx	10	30	30
Sea Bream, Live	0301.99.4000	10	70	65
Sea Bass, Live	0301.99.9050	10	70	65
Loaches, Live	0301.99.9070	10	60a/	50a/
Alaska Pollack, Frozen	0303.79.1000	10	30	30
Saury, Frozen	0303.79.8000	10	50	40
Skate, Frozen	0303.79.9093	10	60	50
Croakers, Frozen	0303.79.9095	10	80	70
Alaska Pollack Fillet	0304.20.1000	10	25	25
Shrimp, Not Pld, Frozen	0306.13.9000	20	35	35
Shrimp, In Brine	0306.23.3000	20	60	60
Squid, Frozen	0307.49.1020	10	40	40
Poult Squid, Frozen	0307.59.1020	20	35	35
Seasoned Squid	1605.90.9010	20	25	25

a/ Excluded loaches imported for aquacultural purpose under the approval of the Minister of Maritime and Fisheries.

Note: These adjustment tariffs have precedence over the applied tariffs described before.
Source: Korea Customs Research Institute, Tariff Schedule of Korea 2001

Korea: All Cities' Consumer Price Indices Of Food And Beverages

(1995 = 100)

Year	All Item	Food	Meat	Fishes & Shells	Vegetable & Seaweed
1995	100.0	100.0	100.0	100.0	100.0
1996	104.9	103.9	98.8	103.2	104.2
1997	109.6	107.9	98.7	105.6	107.5
1998	117.8	117.3	100.9	114.5	120.3
1999	118.8	120.6	106.6	121.3	129.6
2000	121.5	121.6	115.6	122.1	138.4

Source: Monthly Statistics of Korea, August 2001, Korea National Statistical Office

Fish/Urchin Roe/Caviar Lvr PSD

Unit: M/T

PSD Table						
Country:	Korea, Republic of					
Commodity:	Fish,Urchin Roe/Caviar, Livers					
		2000		2001		2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Beginning Stocks	0	0	0	0	0	0
Total Production	6000	3058	6000	3000	0	3000
Intra-EC Imports	0	0	0	0	0	0
Other Imports	18000	10855	19000	12000	0	13000
TOTAL Imports	18000	10855	19000	12000	0	13000
TOTAL SUPPLY	24000	13913	25000	15000	0	16000
Intra-EC Exports	0	0	0	0	0	0
Other Exports	13000	6898	12000	5000	0	4500
TOTAL Exports	13000	6898	12000	5000	0	4500
Domestic Consumption	11000	7015	13000	10000	0	11500
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	11000	7015	13000	10000	0	11500
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	24000	13913	25000	15000	0	16000

Korea: Import Trade Matrix - Fish and Urchin Roe/Caviar/Lvr

Units: Metric Ton

Import Trade Matrix			
Country:	Korea, Republic of	Units:	MT
Commodity:	Fish,Urchin Roe/Caviar, Livers		
Time period:	JAN/DEC		
Imports for	1999		2000
U.S.	953	U.S.	1129
Others		Others	
Russia	12010	Russia	4635
China	850	Japan	1646
Japan	659	China	1261
New Zealand	835	New Zealand	1097
Total for Others	14354		8639
Others not listed	515		1087
Grand Total	15822		10855

Korea: Production of Fish Roes, Urchin

Metric Ton (MT)

Items	1996	1997	1998	1999	2000
Roes of Alaska Pollack (from distant seas)1/	5,968 (3,390)	5,456 (1,359)	5,058 (1,254)	7538 (1490)	2,955 (196)
Herring Roes	-	-	-	-	-
Sea Urchin	942	445	58	0	103

Total	6,910	5,901	5,116	7,538	3,058
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Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: Imports of Fish and Urchin Roe/Caviar/Liver (Metric Ton (MT))

Species	H.S. Code	2000		2001 (Jan-Jun)	
		World	U.S.	World	U.S.
Livers, Fresh	0302.70.1000	5	5	3	3
Livers, Fz	0303.80.1000	18	0	165	78
Roes/AK Pollack,FZ	0303.80.2010	8,064	749	4,693	319
Other Roes, FZ	0303.80.2090	2,265	374	2,770	1,316
Roes, dried	0305.20.2000	14	0	0	0
Roes/Alaska Pollack	0305.20.4010	18	0	13	0
Roes/Herrings, Dried	0305.20.4030	0	0	10	0
Other roes, Salted	0305.20.4090	1	1	11	0
Sea Urchin, Fresh	0307.91.9010	0	0	0	0
caviar	1604.30.1000	2	0	1	0
Caviar, Substitute	1604.30.2000	468	0	272	1
Total		10,855	1,129	7,938	1,717

Source: Statistical Yearbook of Foreign Trade 2001, Korea Customs Service

Korea: Exports of Fish and Urchin Roe/Caviar/Liver (Metric Ton (MT))

Species	H.S. Code	2000		2001 (Jan-Jun)	
		World	U.S.	World	U.S.
Livers, Fresh	0302.70.1000	2	0	1	0
Livers, Fz	0303.80.1000	0	0	00	0
Roes/AK Pollack,FZ	0303.80.2010	1,154	30	741	29
Other Roes, FZ	0303.80.2090	692	0	372	0
Livers, dried, salted	0305.20.1000	3	0	0	0

Roes, dried	0305.20.2000	1	0	0	0
Roes/pollack, salted	0305.20.4010	113	53	90	41
Roes/Yellow Corniva, salted	0305.20.4020	14	14	0	0
Roes/Herrings, Dried	0305.20.4030	1	0	0	0
Other roes, Salted	0305.20.4090	111	7	39	2
Sea Urchin, Fresh	0307.91.9010	203	0	78	0
caviar	1604.30.1000	12	12	0	0
Caviar, Substitute	1604.30.2000	4,592	8	1,212	6
Total		6,898	124	2,533	78

Source: Statistical Yearbook of Foreign Trade 2001, Korea Customs Service

Flatfish, Whl/Eviscerated PSD

PSD Table						
Country:	Korea, Republic of					
Commodity:	Flatfish, Whole/Evis cerated					
		2000		2001		2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Beginning Stocks	0	0	0	0	0	0
Total Production	45000	31415	45000	30000	0	29000
Intra-EC Imports	0	0	0	0	0	0
Other Imports	25000	17683	30000	19000	0	20000
TOTAL Imports	25000	17683	30000	19000	0	20000
TOTAL SUPPLY	70000	49098	75000	49000	0	49000
Intra-EC Exports	0	0	0	0	0	0
Other Exports	10000	8213	10000	5000	0	4000
TOTAL Exports	10000	8213	10000	5000	0	4000
Domestic Consumption	60000	40885	65000	44000	0	45000
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	60000	40885	65000	44000	0	45000
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	70000	49098	75000	49000	0	49000

Korea: Import Trade Matrix - Flatfish

Units: Metric Ton

Import Trade Matrix			
Country:	Korea, Republic of	Units:	
Commodity:	Flatfish, Whole/Eviscerated		
Time period:	JAN/DEC		
Imports for	1999		2000
U.S.	11,268	U.S.	6484
Others		Others	
Russia	7841	Russia	6370
G. Bissu	1099	G. Bissu	1563
China	976	EU	1412
Hong Kong	652	China	1161
EU	423	Belize	286
Guinea	238	Guinea	144
Belize	232		
Total for Others	11461		10936
Others not listed	371		263
Grand Total	23100		17683

Source: Statistical Yearbook of Foreign Trade 2001, Korea Customs Service

Korea: Flatfish Production

Metric Ton (MT)

Fishing Type	1996	1997	1998	1999	2000
On and Off-Shore	20,383	19,671	22,137	21,248	17,030
Deep-Sea	417	348	135	443	258
Aquaculture	8,873	26,274	22,277	21,368	14,127
Total	29,673	46,293	44,549	43,059	31,415

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: Imports of Flatfish

Metric Ton (MT)

Species H.S. Code		2000		2001 (Jan-Jun)	
		World	U.S.	World	U.S.
Flat Fish, Live	0301.99.8000	46	0	147	0
Halibut, Fresh	0302.21.0000	3	0	0	0
Plaice , Fresh	0302.22.0000	39	1	2	0
Sole, Fresh	0302.23.0000	9	0	6	0
Other, Fresh	0302.29.0000	11	0	1	0
Halibut, Frozen	0303.31.0000	72	6	70	5
Plaice, Frozen	0303.32.0000	5,093	2,757	392	0
Sole, Frozen	0303.33.0000	1,099	412	252	0
Others, Frozen	0303.39.0000	11,311	3,308	7,600	2,226
Total		17,683	6,484	8,470	2,231

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: Exports of Flatfish

Metric Ton (MT)

Species H.S. Code		2000		2001 (Jan-Jun)	
		World	U.S.	World	U.S.
Flat Fish, Live	0301.99.8000	2,345	1	1,262	0
Halibut, Fresh	0302.21.0000	0	0	4	0
Plaice , Fresh	0302.22.0000	152	0	21	0
Sole, Fresh	0302.23.0000	0	0	8	0
Other, Fresh	0302.29.0000	0	0	0	0
Halibut, Frozen	0303.31.0000	596	3	58	0
Plaice, Frozen	0303.32.0000	2,514	0	293	0
Sole, Frozen	0303.33.0000	405	0	104	0
Others, Frozen	0303.39.0000	2,201	0	447	0
Total		8,213	3	2,197	0

Source: Statistical Yearbook of Foreign Trade 2001, Korea Customs Service

Groundfish, Whl/Eviscerated PSD

Unit: M/T

Country:	Korea, Republic of					
Commodity:	Groundfish , Whole/Evis cerated					
		2000		2001		2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Beginning Stocks	0	0	0	0	0	0
Total Production	120000	110182	110000	100000	0	100000
Intra-EC Imports	0	0	0	0	0	0
Other Imports	110000	79903	120000	90000	0	95000
TOTAL Imports	110000	79903	120000	90000	0	95000
TOTAL SUPPLY	230000	190085	230000	190000	0	195000
Intra-EC Exports	0	0	0	0	0	0
Other Exports	10000	11802	10000	5000	0	5000
TOTAL Exports	10000	11802	10000	5000	0	5000
D o m e s t i c Consumption	220000	178283	220000	185000	0	190000
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	220000	178283	220000	185000	0	190000
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	230000	190085	230000	190000	0	195000

Korea: Import Trade Matrix - Groundfish, Whl/Eviscerated

Units: Metric Ton

Import Trade Matrix			
Country:	Korea, Republic of	Units:	MT
Commodity:	Groundfish, Whole/Eviscerated		
Time period:	JAN/DEC		
Imports for	1999		2000
U.S.	5664	U.S.	7206
Others		Others	
Russia	67438	Russia	40,838
Japan	12308	Japan	26921
China	5393	China	3735
Total for Others	85139		71494
Others not listed	861		1203
Grand Total	91664		79903

Source: Statistical Yearbook of Foreign Trade 2001, Korea Customs Service

Korea: Groundfish Production

Metric Ton (MT)

Year	Deep-Sea	On/Off Shore	Total
1996	222,619	13,518	236,424
1997	221,026	8,683	229,709
1998	238,402	7,737	246,139
1999	155,269	5,660	160,929
2000	97,957	12,225	110,182

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: Import of Groundfish

Metric Ton (MT)

Species	H.S. Code	2000		2001 (Jan-Jun)	
		World	U.S.	World	U.S.
Cod, Fresh	0302.50.0000	2,588	307	1,180	176
Alaska Pollack, Fresh	0302.69.1000	11,875	0	7,895	0
Cod, Fz.	0303.60.0000	9,792	2,850	4,731	1,014
Hake, Fz.	0303.78.0000	950	0	444	0
Alaska Pollack	0303.79.1000	53,265	4,049	15,265	1,044
Alaska Pollack, Dried	0305.59.3000	1,433	0	628	0
Total		79,903	7,206	30,143	2,234

Source: Statistical Yearbook of Foreign Trade 2001, Korea Customs Service

Korea: Export of Groundfish

Metric Ton (MT)

Species	H.S. Code	2000		2001 (Jan-Jun)	
		World	U.S.	World	U.S.
Cod, Fresh	0302.50.0000	0	0	0	0
Alaska Pollack, Fresh	0302.69.1000	0	0	19	19
Cod, Fz.	0303.60.0000	5,849	0	989	0
Hake, Fz.	0303.78.0000	2,883	462	520	330
Alaska Pollack	0303.79.1000	2,827	330	1,468	67
Alaska Pollack,Dried	0305.59.3000	243	165	207	169
Total		11,802	957	3,203	585

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Surimi PSD

Unit: M/T

PSD Table						
Country:	Korea, Republic of					
Commodity:	Surimi					
		2000		2001		2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Beginning Stocks	0	0	0	0	0	0
Total Production	30000	10,653	30000	10000	0	9000
Intra-EC Imports	0	0	0	0	0	0
Other Imports	75000	72384	80000	80000	0	85000
TOTAL Imports	75000	72384	80000	80000	0	85000
TOTAL SUPPLY	105000	83037	110000	90000	0	94000
Intra-EC Exports	0	0	0	0	0	0
Other Exports	2500	1147	3000	1000	0	1000
TOTAL Exports	2500	1147	3000	1000	0	1000
Domestic Consumption	102500	81890	107000	89000	0	93000
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	102500	81890	107000	89000	0	93000
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	105000	83037	110000	90000	0	94000

Korea: Import Trade Matrix - Surimi

Units: Metric Ton

Import Trade Matrix			
Country:	Korea, Republic of	Units:	MT
Commodity:	Surimi		
Time period:	JAN/DEC		
Imports for	1999		2000
U.S.	28299	U.S.	33264
Others		Others	
China	9057	Vietnam	13,550
Vietnam	8584	China	7986
Hong Kong	6004	Thailand	7557
Russia	5946	Russia	2077
Canada	5091	Malaysia	1833
Thailand	3634	India	1463
Japan	2062	Canada	1372
Malaysia	1253	Japan	1231
Argentina	601	Argentina	1037
India	554		
Total for Others	42786		38106
Others not listed	1022		1014
Grand Total	72107		72384

Source: Statistical Yearbook of Foreign Trade 2001, Korea Customs Service

Korea: Surimi Production

Metric Ton (MT)

Year	On/Off Shore	Deep-Sea	Total
1996	6,800	16,044	22,844
1997	17,515	20,471	37,986
1998	14,769	15,668	30,437
1999	14,693	18,303	32,996
2000	7,326	3,327	10,653

Source: Statistical Yearbook of Ministry of Maritime Affairs and Fisheries 2001

Korea: Import of Surimi

Metric Ton (MT)

Species	H.S. Code	2000		2001 (Jan-Jun)	
		World	U.S.	World	U.S.
Alaska Pollack	0304.90.1010	26,423	23,270	19,264	18,106
Others	0304.90.1090	45,961	9,994	22,243	2,544
Total		72,384	33,264	41,507	20,650

Source: Statistical Yearbook of Foreign Trade 2001, Korea Customs Service

Korea: Export of Surimi

Metric Ton (MT)

Species	H.S. Code	2000		2001 (Jan-Jun)	
		World	U.S.	World	U.S.
Alaska Pollack	0304.90.1010	813	0	838	0
Others	0304.90.1090	334	4	117	0
Total		1,147	4	955	0

Source: Statistical Yearbook of Foreign Trade 2001, Korea Customs Service

FISHERY PRODUCTS STRATEGIC INDICATOR TABLE					
Korea		Previous	Current	Next	5 Year
		Year	Year	Year	Projections/
U.S. Competitive Position	Measurement *	Situation	Situation	Expectations	Expectations
U.S. Access Relative to Rest of World- Non-Tariff Measures (NTM)	Worse, equal, or better (choose one)	equal	equal	equal	equal
U.S. Access Relative to Rest of World - Tariffs	Higher, equal, or lower (choose one)	equal	equal	equal	equal
Presence of Marketing Programs (domestic and 3rd country) versus U.S. programs	More aggressive, about the same, or less aggressive (select one)	same	same	same	same
U.S. Prices Relative to Domestic and 3rd Country Prices	Higher, equal, or lower (choose one)	higher	higher	higher	higher
U.S. Market Share (3 Year Average)	Percent	10 1/	10	11	12
Per Capita Consumption of All Fishery Products	Kg per person	33	33	34	35
Per Capita Consumption of animal proteins (excluding fishery products)	Kg per person	9.5	10	10.5	11
Percent of population with refrigerators	Percent	100	100	100	100
Percent of fishery product sales at supermarkets	Percent	21 2/	22	22	23
Percent of total food sales at supermarkets	Percent	79	80	80	80
Percent of animal protein sales at supermarkets (excluding fishery products)	Percent	18	19	19	20
Percent of fishery sales at HRI establishments	Percent	na	na	na	na
Percent of fishery sales at open markets	Percent	33 2/	33	33	32

1/ U.S. market share of total seafood imports

2/ Percentage of seafood sales at supermarkets out of total seafood sales

Source: Post

* If an explanation of rating is needed, insert a row and provide an explanation in the row below.

SECTION III: NARRATIVE ON SUPPLY AND DEMAND, POLICY & MARKETING

Supply and Demand

The Korean fishing industry harvested 2.5 million metric tons (MMT) of seafood including 1.2 million MT in the on/off shore, 653,000 MT in the shallow sea Aquaculture, 651,000 MT in the deep-sea and 20,000 MT in fresh water. Total seafood production declined to 2.5 million metric tons in 2000 from 2.9 million metric tons in 1999. Seafood production in Korea is expected to continue to decline in the future in accordance with the depletion of fish resources in adjacent waters and the proclamations of the Exclusive Economic Zones (EEZ) by Korea's neighbor countries. Total production of seafood during the first half of 2001 reached 1.24 million MT.

Alaska pollack catch declined sharply to 87,000 MT in 2000 from 147,000 MT in 1999 and 236,000 MT in 1998, specifically that sourced from Russian waters. Alaska pollack production largely depends on how much Korea purchases catch quotas from Russia. As groundfish, surimi, and roe production correlates directly with Alaskan pollack catch, total production of these products is expected to continue to be down. Deep-sea production is also expected to decline in the longer term as Russia reduces Alaska pollack catch quotas in effort to rebuild fish stocks in coastal waters. The deep-sea industry catches mainly Alaska pollack, tuna, and squid.

Constraints built into bilateral and multilateral fishing accords will impact further total harvest from on/off-shore fishery zones. On/off-shore fish species consist mainly of squid, mackerel, corvenia, hair tail and anchovy. Government efforts to boost aquaculture production in shallow sea clearly indicates the importance of this sector as a future seafood resource.

Fresh water production is expected to decline in the nearby period as tighter enforcement of governmental environment regulations to cope with growing pollution problems is implemented to fresh water aquaculture. The longer term outlook for this sector, though, is promising if control efforts put into place prove effective. During the first half of 2001 fresh water product declined to 8,600 MT.

A Total Allowable Catch (TAC) was first implemented in 1999 for four fish species: mackerels, jack mackerels, sardine and red large crab. The Ministry of Maritime Affairs and Fisheries (MOMAF) established the TAC total for 2001 by fish species as follow: mackerels-165,000 MT, jack mackerels-10,600 MT, sardine-19,000 MT, red large crab-28,000 MT and three kinds of mollusc - 16,150 MT.

Per capita fishery consumption is estimated at 33 kg in 2000. Annual domestic consumption is about 3 million metric tons (MMT). The outbreak of Mad Cow Disease (BSE) in Europe and Japan has caused beef demand to fall, and it has been replaced partly with fish. Efforts by the Korean industry to change consumer's perception of fish (as a healthy alternative to red meat), to diversify fish products, to improve quality, and to develop its processing technology will be key factors to capture consumers attention.

Trade

Imports of Fishery Products in Korea

Unit: Millions of dollars

Description	1998		1999		2000	
	World	USA	World	USA	World	USA
Fish & Seafood	539	78	1,115	122	1,338	138

Sources: Korea Trade Information Service compiled by ATO Seoul

As noted from the above import statistics, seafood imports in Korea increased to \$1.3 billion in 2000 from \$1.1 billion. Korea remains an important market for U.S. seafood suppliers. Given Korea's high per capita consumption and lower domestic production, imports are expected to rise to meet local demand in the coming years.

Imported seafood products are utilized for both re-export and domestic consumption. Major suppliers include China, Russia, the United States, Japan and Thailand. In 2000, these five countries accounted for 67 percent of total Korean seafood imports on a value basis. In 2000, China became the largest seafood supplier to Korea by exporting \$487 million.

Policy

Korea and China agreed on the fisheries pact that went into effect on June 30, 2001. They agreed to allow 190 Korean fishing boats including 40 trawlers to enter the zone between latitude 26 and 27 degrees North. China permits 1,402 Korean boats to enter its exclusive economic zone (EEZ) to catch a maximum catch of 60,000 tons of fish in the first year of the agreement, while Korea allows a maximum fish catch of 109,600 tons to 2,796 Chinese boats in its exclusive economic zone. They agreed to introduce the same fishing quotas and the same number of boats in each other's EEZ from 2005.

Korea and Japan reached a fishery agreement on the eastern limit line for Korean fishing activities in the East Sea/Sea of Japan in September 1998. Catch volume was synchronized to be equal in three years with all species except for Alaska pollack and king crab. In 1999, Korea and Japan agreed on the number of

crab fishing boats and fishing nets permitted in each other's exclusive economic zones (EEZs). In 2001, the accord prohibits Alaska pollack fishing in those waters.

The Korean government has used the higher adjustment tariffs ranging from 25% to 70% for 14 fish species to protect select domestic seafood, mainly from China. The normal applicable tariffs are between 10% and 20%. The Korea government is focusing on aquaculture in the shallow waters to secure fish supply and working hard to purchase fish quotas from other countries including Russia.

Marketing

According to the survey conducted in April 2001, 32 percent of consumers said that they purchase seafood at the conventional markets. The following is where consumers purchase seafood in Korea.

Market	Percentage
Conventional Market	32%
Supermarket	21%
Discount Store	19%
Department Store	18%
Seafood Wholesale Market	5%
Others	5%
Total	100%

Flatfish is a popular Korean dish in Korea. All flat fish are freely importable. Live halibut is in high demand for its popularity as Sashimi. Imported U.S. halibut is high priced and generally distributed to hotels and upscale restaurants. Stiff competition is provided by locally-farmed flatfish. Russia, G. Bissue, China, EU are our major competitors for flatfish.

Groundfish composed of major commercial species such as Alaska pollack and cod appears to offer a promising market for U.S. suppliers given Korea's production outlook. The Korean government has applied an adjustment tariff of 30 percent on frozen Alaska pollack instead of 10% normally applied to frozen fish. Russia and Japan are our major competitors.

Frozen surimi imported to Korea is processed to ground fish sausage and artificial crab meat for both local and overseas markets. Vietnam, China, Hong Kong, Russia, Canada and other Southeast Asian nations are our major competitors and have gained market share from the United States in recent years.

The market for Korean Alaska pollack roe is large. For U.S. suppliers, imported roe is processed for local consumption and re-export. Alaskan pollack roe is the most popular and is used for salted/spiced roe. It is a very popular and traditional side dish over rice at the Korean table. Russia, though the dominant supplier, may have difficulties fully servicing demand by market if its resources continue to deplete rapidly. Russia, China, New Zealand and Japan are our major competitors.

SECTION IV. KEY CONTACTS AND FURTHER INFORMATION

For further detailed information about the Korean market, please contact:

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